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QWEST ADMITS VIOLATIONS OF LONG DISTANCE BAN – COMPANY TO MAKE \$6.5 MILLION PAYMENT TO UNITED STATES TREASURY

Washington, D.C. – Today, the Federal Communications Commission ("FCC") entered into a Consent Decree with Qwest Communications International, Inc. ("Qwest") in which Qwest admitted that it violated a federal ban on providing long distance services in its local service region prior to receiving FCC authorization. Qwest also admitted that it violated provisions of the Qwest/US West Merger Order prohibiting Qwest from providing certain services prior to receiving FCC authorization. Qwest has agreed to make a \$6.5 million payment to the United States Treasury.

Today's action resolves an FCC investigation into Qwest's possible violation of section 271(a) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996, which prohibits the Bell Operating Companies ("BOCs") from providing long distance services originating in their local service regions prior to receiving FCC approval. The investigation also involved Qwest's possible violation of section 272(g) of the Act, which prohibits BOCs from marketing or selling long distance services in their region before receiving section 271 authority. Prior to the 1996 Act, the BOCs generally were barred from providing long distance services that cross local access and transport ("LATA") boundaries within their regions. The 1996 Act allowed the BOCs to enter these long distance markets only after satisfying a number of market-opening conditions and receiving approval from the Commission.

Under the terms of the Consent Decree, Qwest admits that it provided long distance services originating in its local service region on four separate occasions, in violation of section 271(a) of the Act. Qwest also admits that it provided services on eight separate occasions, in violation of the Qwest/US West Merger Order.

Action by the Commission, May 5, 2003, by Order (FCC 03-107), Chairman Powell, Commissioners Abernathy, Copps, Martin, and Adelstein.

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